

CITY OF LODI

RESOLUTION NO. 79-160

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
LODI APPROVING IN PRINCIPLE THE FINANCING BY  
LODI MEMORIAL HOSPITAL OF A HOSPITAL PROJECT  
AS A PROJECT UNDERTAKEN IN THE BEST INTERESTS  
OF THE CITY OF LODI AND NECESSARY AND PROPER  
FOR MUNICIPAL AND PUBLIC PURPOSES.

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WHEREAS, this City Council (the "Council") of the  
City of Lodi, California (the "City") understands that Lodi  
Memorial Hospital, a nonprofit corporation organized and  
existing under the laws of the State of California (the "Hospital"),  
proposes to issue bonds for the purposes of constructing and/or  
improving a hospital facility (the "Hospital Facility") located in  
Lodi, California; and

WHEREAS, this Council has been advised that in order  
to obtain certain tax advantages for the holders of the bonds of the  
Hospital to be issued to finance the construction and/or improvement  
of the Hospital Facilities, the Hospital has determined to tender  
by gift to the City, after all of such bonds have been fully paid, all  
right, title and interest in the Hospital Facility and to grant the City  
an option to purchase, subject to any existing encumbrances, the  
Hospital Facility at any time when the Hospital's bonds are declared

due and payable in the event of a default thereon for a price sufficient to redeem all of such bonds then outstanding (with the proviso that the City shall in no event be obligated to exercise such option); and

WHEREAS, there has been presented to this Council information concerning the proposed construction and/or improvement of the Hospital Facility and the benefits to be realized by the City from its construction; and

WHEREAS, the form of bonds to be issued by the Hospital will clearly state as follows:

The City of Lodi, California shall not in any event be liable for the payment of the principal of, premium, if any, or interest on the bonds or the performance of any obligation or agreement of any kind whatsoever of the Hospital pertaining thereto, and none of the bonds or of any of the Hospital's agreements or obligations relating thereto shall be construed to constitute an indebtedness of the City of Lodi.

WHEREAS, the City has been advised by the law firm of Orrick, Herrington, Rowley & Sutcliffe that the proposed offering of bonds by the Hospital will not constitute a liability of any kind whatsoever of the City;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED, by the City Council of the City of Lodi, that the Council hereby determines that the existence of the Hospital is beneficial to and in the best interests of the City, that the Hospital is engaged in an activity which is essentially public in nature, and that it is in the

best interest of the City and necessary and proper for municipal and public purposes for the Hospital to proceed with the proposed financing of the acquisition and construction and/or improvement of the Hospital Facility by the sale of bonds of the Hospital;

RESOLVED, FURTHER, that the Council hereby approves the Hospital and approves in principle such a sale of bonds of the Hospital;

RESOLVED, FURTHER, that the Council hereby declares its present intention to accept on behalf of the City of aforementioned gift of the Hospital Facility at such time as it may be tendered to the City and authorizes any and all appropriate city officials to accept the aforementioned grant of an option to purchase the Hospital Facility and to accept the aforementioned gift of the Hospital Facility at such time as each may be tendered to the City; and

RESOLVED, FURTHER, that the appropriate city officials are hereby authorized to take any steps necessary or appropriate to carry out the purposes of the foregoing resolution.

PASSED AND ADOPTED this 7th day of November, 1979  
by the following vote:

AYES: Councilmen - Hughes, Katnich, McCarty,  
Pinkerton and Katzakian

NOES: Councilmen - None

ABSENT: Councilmen - None

  
ALICE M. REIMCHE  
City Clerk

CLERK'S CERTIFICATE

I, Alice M. Reimche, City Clerk of the City of Lodi, State of California; do hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the City Council of said City duly and regularly and legally held at the regular meeting place thereof on the 7th day of November, 1979, of which meeting all of the members of said City Council had due notice and at which not less than a majority of the members thereof were present and acted; that at said meeting said resolution was introduced by Mayor Pro Tempore Katnich, and read in full and was thereupon, upon motion of Mayor Pro Tempore Katnich, seconded by Councilman Pinkerton, adopted by the following vote:

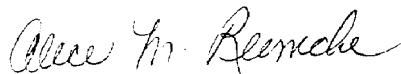
AYES: Councilmen - Hughes, Katnich, McCarty,  
Pinkerton and Katzakian

NOES: Councilmen - None

ABSENT: Councilmen - None

That I have carefully compared the same with the original minutes of said meeting on file and of record in my office; that said resolution is duly entered of record in the minutes; that the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; that said resolution has not been amended, modified or rescinded since the date of its adoption and that the same is now in full force and effect.

WITNESS my hand and the seal of said City, this 8th day of November, 1979.

  
ALICE M. REIMCHE  
City Clerk City of Lodi